

FILED

DEC 02 2013

SECRETARY, BOARD OF
OIL, GAS & MINING

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

IN THE MATTER OF THE REQUEST FOR
AGENCY ACTION OF QEP ENERGY COMPANY
FOR AN ORDER AUTHORIZING THE FLARING
OF GAS IN EXCESS OF THE AMOUNTS
ALLOWED UNDER UTAH ADMIN. CODE RULE
R649-3-20(1.1) FROM A TOTAL OF SIX WELLS
LOCATED WITHIN TOWNSHIP 10 SOUTH,
RANGES 17 AND 18 EAST, DUCHESNE AND
UINTAH COUNTIES, UTAH

**AFFIDAVIT OF
KIRK FLEETWOOD**

Docket No. 2013-017

Cause No. 259-03

COMES NOW, Kirk Fleetwood, and being duly sworn deposes and says as follows:

1. I am the Operations Manager – Uintah Basin Division, for QEP Energy Company (“QEP”). I have personal knowledge of the matters set forth herein.
2. By Findings of Fact, Conclusions of Law and Order (“Order”) dated July 15, 2013, the Board allowed QEP to flare the gas from the RB DS 1G-7-10-18, RB DS 14G-8-10-18, RB DS 14G-6-10-18 and RB DS 14G-7-10-18 Wells (“Subject Wells”) above the 1,800 MCF per month limit allowed by Utah Admin. Code Rule R649-3-20(1.1), subject to a maximum aggregate monthly total of 15,000 MCF.
3. The Subject Wells flared a cumulative amount of gas in July, August, September and October that was below the 15,000 MCF threshold provided for in the Order.

4. As outlined in my testimony to the Board at the hearing on June 26, 2013, in order to market the produced gas from the Subject Wells, QEP needed to construct a gas gathering pipeline to each well.

5. Prior to constructing the necessary lines, QEP needed to obtain approval for a right-of-way from the Vernal Field Office of the Bureau of Land Management ("BLM").

6. As a direct result of the shut-down of the Federal government which extended from October 1 through October 16, the BLM did not provide approval of the right-of-way in time for QEP to construct the gas gathering facilities and meet the November 1 deadline.

7. Pursuant to a motion from QEP, on November 1, 2013, the Board issued an "Order Granting Motion for Temporary Relief," which allowed QEP to continue to flare gas from the Subject Wells in excess of the 1,800 MCF limit beyond the November 1, 2013, deadline imposed by the Order.

8. On November 22, 2013, the BLM approved Right-of-Way UTU-81003 which was the right-of-way that QEP needs to install the gas gathering pipeline to the Subject Wells. A copy of this approved Right-of-Way is attached.

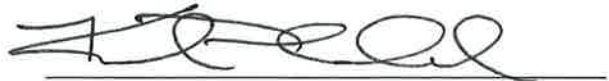
9. Construction on the necessary gas gathering pipelines to the Subject Wells commenced on November 25, 2013.

10. It is anticipated that construction of the gas gathering pipelines will take between seven and nine business days to complete. Factoring in the Thanksgiving

holiday (and barring any weather complications), QEP anticipates completion of the necessary gas pipelines to the Subject Wells by December 10, 2013.

11. Based on this schedule, the Subject Wells will flare some gas in December, however, the necessary gas pipelines will be installed and the gas marketed prior to the wells flaring in excess of the amounts allowed by Utah Admin. Code Rule R649-3-20(1.1).

DATED this 27 day of NOVEMBER, 2013.



Kirk Fleetwood

STATE OF UTAH)
) ss.
COUNTY OF UINTAH)

The foregoing instrument was subscribed and sworn to before me this 27TH day of NOVEMBER, 2013 by Kirk Fleetwood, an individual.

Witness my hand and official seal.



My Commission Expires: JUNE 29, 2015

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|---|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. UTU81003 |
| 2. Name of Operator QEP ENERGY COMPANY | | 6. If Indian, Allottee or Tribe Name |
| Contact: JAN NELSON E-Mail: jan.nelson@qepres.com | | 7. If Unit or CA/Agreement, Name and/or No. UTU87719A |
| 3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078 | 3b. Phone No. (include area code) Ph: 435.781.4331 Fx: 435.781.4395 | 8. Well Name and No. RB DS FED 1G-7-10-18 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T10S R18E NENE 609FNL 699FEL 39.964050 N Lat, 109.929210 W Lon | | 9. API Well No. 43-047-35932-00-S1 |
| | | 10. Field and Pool, or Exploratory DESERT SPRING UTELAND BUTTE |
| | | 11. County or Parish, and State UINTAH COUNTY, UT |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

In order for QEP Energy Company (QEP) to market the gas from the Nemo Unit, QEP is proposing to install a gathering system that will allow QEP to access an existing tap in Monarch Natural Gas, LLC gathering system.

Please see attachments for details.

| | |
|---|--------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #213752 verified by the BLM Well Information System For QEP ENERGY COMPANY, sent to the Vernal Committed to AFMSS for processing by BOBBI SCHROEDER on 07/18/2013 (13BJS1884SE) | |
| Name (Printed/Typed) JAN NELSON | Title PERMIT AGENT |
| Signature (Electronic Submission) | Date 07/16/2013 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---------------------------------|-----------------|
| Approved By JERRY KENCZKA | Title AFM FOR MINERAL RESOURCES | Date 11/22/2013 |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | | Office Vernal |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #213752

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|---|---|
| Sundry Type: | OTHER NOI | OTHER NOI |
| Lease: | UTU81003 | UTU81003 |
| Agreement: | UTU87719X | UTU87719A (UTU87719A) |
| Operator: | QEP ENERGY COMPANY 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435-781-4331 | QEP ENERGY COMPANY 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435-781-4032 Fx: 435-781-4045 |
| Admin Contact: | JAN NELSON PERMIT AGENT E-Mail: jan.nelson@qepres.com Cell: 435-828-8719 Ph: 435-781-4331 Fx: 435-781-4395 | JAN NELSON PERMIT AGENT E-Mail: jan.nelson@qepres.com Cell: 435.828.8719 Ph: 435.781.4331 Fx: 435.781.4395 |
| Tech Contact: | JAN NELSON PERMIT AGENT E-Mail: jan.nelson@qepres.com Cell: 435-828-8719 Ph: 435-781-4331 Fx: 435-781-4395 | JAN NELSON PERMIT AGENT E-Mail: jan.nelson@qepres.com Cell: 435.828.8719 Ph: 435.781.4331 Fx: 435.781.4395 |
| Location: | | |
| State: | UT | UT |
| County: | UINTAH | UINTAH |
| Field/Pool: | UTELAND BUTTE | DESERT SPRING UTELAND BUTTE |
| Well/Facility: | RB DS 1G-7-10-18 Sec 7 T10S R18E Mer SLB NENE 607FNL 699FEL | RB DS FED 1G-7-10-18 Sec 7 T10S R18E NENE 609FNL 699FEL 39.964050 N Lat, 109.929210 W Lon |

PLAN OF DEVELOPMENT

PENDRAGON GATHERING COMPRESSOR SITE LOCATED WITHIN THE NEMO UNIT

1. PROJECT DESCRIPTION

The proposed project will consist of one new Central Compression Site (CCS) with one surface pipeline from future tie point "A" to the compressor and one pipeline from RB DS 14G8-10-18 to the compressor. This facility and pipeline system will be used to gather well head gas from multiple oil wells in the Desert Spring field and transport it to the Monarch Natural Gas, LLC line for sales. The facility and pipelines will be located in Sections 5, 6, 7 of Township 10 South, Range 18 East in the Nemo Unit.

The CCS pad will be located in the NW $\frac{1}{4}$ of section 7 of Township 10 South, Range 18 East. The pad dimensions are 200' x 200'. The proposed access road will be approximately 132' in length 30' in width. The pad and road will be a total disturbance of 1.396 acres.

The pipelines will consist of the following:

- A single surface pipeline will be constructed from future point "A" to the compressor and from future point "B" to the compressor located in the NW $\frac{1}{4}$ Section 7, Township 10 South, Range 18 East. This line will be a surface 6" or smaller spool-able poly line. (Recommended maximum operating pressure of 250 psi).
- A surface 3" or smaller steel gas sales line will be installed to cross the road and tie into the Monarch Natural Gas, LLC line to sale gas. These are all depicted in Exhibit "TOPO D".

The facility will consist of the following:

- A 276 bhp single engine two stage compressor. (see attached emissions summary)
- One 2'X 7' vertical scrubber.
- One 100 bbl tank for residual liquids from the scrubber.

QEP Energy Company is proposing a 30 foot permanent authorized access for all pipelines and a 200' X 200' pad for the site. All lines will follow existing ROW's or roads. The pipelines will operate year round and the authorized access is requested for a minimum term of 30 years. Construction will commence upon the approval of all permits.

Excluding the pipelines, all permanent, above-ground facilities, buildings, valving and metering, not subject to safety requirements, will be painted a flat non-contrasting color which simulates "standard environmental colors." The color suitable for this site is Covert Green.

QEP Energy Company anticipates construction on this project will begin in July 2013 or as soon as permits have been acquired.

2. FACILITY PURPOSE AND NEED

The proposed pipelines and CCS will allow for the gathering and central compression of gas in the Nemo Unit. This will eliminate the need to flare excess well head gas in that field.

3. RECONNAISSANCE AND LOCATION

No other route alternatives were considered because these lines will all follow existing pipelines/roads.

No adverse impacts of air quality are expected because of the minimal scope of the project and the short duration of construction activities. The proposed pad and pipelines do not cross any perennial streams that are located on federal lands, and should not affect surface or ground water qualities and quantity. The noise from the construction activities will create a temporary disruption of ambient conditions; however, any disruption should be of relatively short duration.

The construction of the proposed pad and pipelines will not have any significant impact on the surrounding environment. Any actual construction impact will be temporary.

4. HAZARDOUS MATERIALS

QEP Energy Company maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction and production operations of this project. Hazardous materials (substances) which may be found at the site may include fuels (flammable and/or combustible), materials that may be necessary for pipeline installation activities such as flammable or combustible substances. If toxic substances are required, usage shall conform with provisions of the Toxic Substance Control Act of 1976, as amended (40 CFR Part 702-799). Any release of toxic substance (leaks, spills, etc.) in excess of the reportable quantity as established by 40 CFR Part 117.3, shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Section 102 b. A copy of any requested report required by any federal or state agency of a reportable release or spill of any hazardous materials shall be furnished to the authorized officer within 5 working days of the occurrence of the spill or release.

5. PLANS AND SPECIFICATIONS

All pipeline plans, drawings, and specifications are available for review upon request in the Red Wash office. Also, if any site specific plans or drawing are required, those will be submitted to the appropriate regulatory agency.

QEP Energy Company will notify the authorized officer of any fires during pipeline construction. QEP Energy Company will comply with all rules and regulations administered by the authorized officer concerning the use, prevention, and suppression of fires on federal lands.

QEP Energy Company, or its contractor, will take the initial fire suppression action in the work area. Suppression actions will continue until the fire is out or until the crew is relieved by an authorized representative of the agency on whose land the fire occurs. Heavy equipment will not be used for fire suppression outside the right-of-way limits without prior approval of the authorized officer, unless that is imminent danger to life or property. QEP Energy Company or its contractor will be responsible for all cost associated with the suppression and rehabilitation if the fire started as a result of QEP Energy Company's operations, an employee of QEP Energy Company, or its contractor.

6. CONSTRUCTION

The construction period will last approximately 1 month. The construction workforce is expected to number 15 at the peak of construction. The construction work force will commute daily.

QEP Energy Company will not allow any construction or routine maintenance activities during periods when soil is too wet to adequately support construction equipment. If such equipment creates surface ruts in excess of 4 inches deep, QEP Energy Company will deem that soil conditions are too wet to adequately support construction equipment. Construction activities will not be allowed until soil conditions improve or prior approval has been obtained from the BLM.

If applicable, the contractor will provide portable toilets to handle all sanitary waste during pipeline construction. All other waste, trash, or refuse will be stored in containers and disposed of at an approved county landfill.

Snow will be removed and the vegetation will be scalped with a motor grader or dozer on the pad and placed as indicated on the plat.

All road crossings will be buried to a minimum of 48-74 inches below the borrow area.

Place the scalped vegetation back on the pad using the motor grader, and reseed when appropriate.

The following is a list of construction equipment proposed on the pipeline project:

- Welding Trucks
- Tractor Trailer
- Poly pipe spooling equipment
- One-Ton Trucks
- Pickup Trucks
- Seed Driller and Tractor
- Backhoes or Trackhoes

Dozer Caterpillar
Motor Grader

ARCHAEOLOGICAL SPECIFICATIONS

An independent arch study has been completed by Montgomery Archaeological Consultants. Please see the attached table.

PALEONTOLOGICAL SPECIFICATIONS

An independent Paleontological study has been completed by Intermountain Paleo-Consulting. Please see the attached table.

If any cultural or paleontological resources (historic or prehistoric site or objects) are discovered by QEP Energy Company personnel or associated pipeline contractors on public or federal lands, immediate notification of the discovery will be made to the authorized officer. Upon discovery of a site, QEP Energy Company will coordinate with the authorized officer in determining appropriate actions to prevent the loss of significant cultural or paleontological values.

7. STABILIZATION AND REHABILITATION

Site Specific Reclamation Summary

Project Name: Pendragon Gathering Compressor Site

Reclamation will follow QEP Energy Company, Uinta Basin Division's Reclamation Plan, September 2009 (QEP Energy Company Reclamation Plan) and the BLM Green River District Reclamation Guidelines.

All trash and debris will be removed from the disturbed area.

The disturbed area for the pipelines and compressor site will be backfilled and recontoured to blend with the landscape.

Water courses and drainages will be restored.

Erosion control devices will be installed where needed.

Seeding will be done in the fall, prior to ground freeze up. Seed will be broadcast and dragged.

The seed mix will be a grass only mix so a broadleaf chemical weed control can be used in year one and two.

| Seed Mix: UB LOAM to SAND | | | | |
|---------------------------|-----------------------|---|---------|------------|
| Description | Common | Scientific | Variety | Lbs PLS |
| Grass | Slender wheatgrass | <i>Elymus trachycaulus ssp. tachycaulus</i> | Pryor | 5 |
| Grass | Needle & thread grass | <i>Hesperostipa comata ssp. Comata</i> | | 2 |
| Grass | Green needle grass | | | 3 |
| Grass | Indian ricegrass | <i>Achnatherum hymenoides</i> | Rimrock | 5 |
| | Intermediate | | | |
| Grass | wheatgrass | <i>Elytrigia intermedia ssp. Intermedia</i> | Oahe | 3 |
| Grass | Crested wheatgrass | <i>Agropyron cristatum x desertorum</i> | Hycrest | 3 |
| | | | | 21 |

Monitoring and reporting will be conducted as stated in QEP Energy Company Reclamation Plan.

Weed control will be conducted as stated in QEP Energy Company Reclamation Plan.

8. OPERATION AND MAINTENANCE

QEP Energy Company will conduct all activities associated with the construction, operations, and termination of the authorized access within the authorized limits. The pipeline will be routinely patrolled and inspected by foot or vehicle from the road way to check for problems such as authorized access conditions, unauthorized encroachment and any other situation that could cause a safety hazard or require preventive maintenance. If damage should occur to the pipe from external sources, repair or replacement of the portion of the pipeline may be necessary. Detailed line break and emergency procedures are used as routine operational procedures by QEP Energy Company.

9. STABILIZATION AND ABANDONMENT

At the end of the pipeline's useful life, QEP Energy Company will obtain any necessary authorization to abandon the facilities from the appropriate regulatory agency. If necessary, QEP Energy Company will contact the authorized officer to arrange a joint inspection of the authorized access. The inspection will be held to jointly agree on an acceptable rehabilitation and termination plan.

At this time, all above-ground pipeline facilities will also be removed and all unsalvageable materials will be disposed of at authorized sites. Regrading and revegetation of disturbed land areas, if applicable, will be completed as necessary. In addition, the abandoned authorized access will revert to the agency's control.

Archaeological Specifications

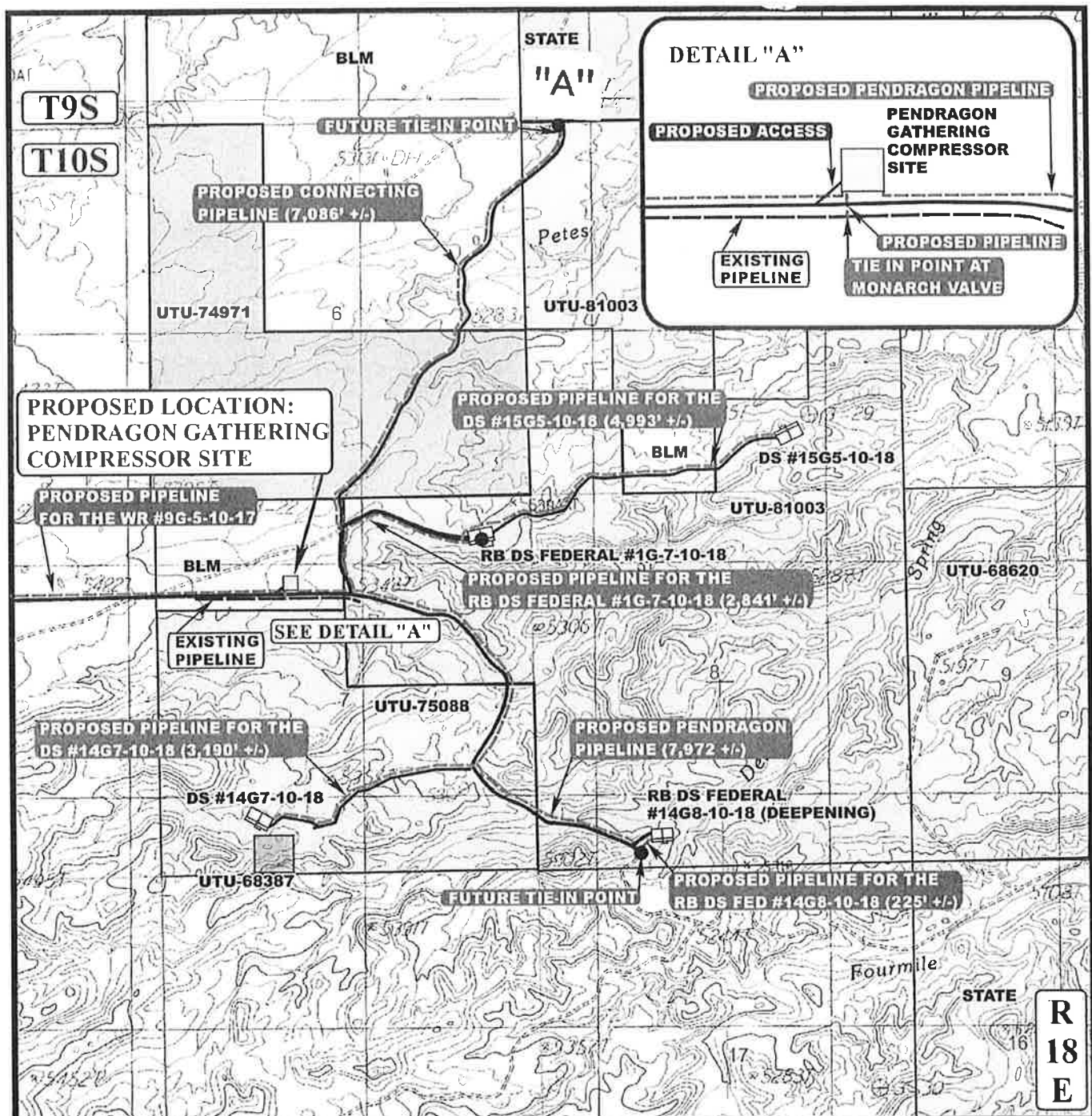
| Well name | Arch Project Number | Arch Project Date | Archeological Recommendations |
|---|------------------------------------|--------------------------|-------------------------------|
| FUTURE TIE-IN POINT "A" | U-11-MQ-1141b,s | 01/13/2012 | No monitoring required |
| COMPRESSOR PAD | U-13-MQ-0460b & U-12-MQ-0081b,s | 07/01/2013 02/15/2012 | No monitoring required |
| DS 15G5-10-18 | U-11-MQ-1146b,s | 01/31/2012 | No monitoring required |
| RBDS 1G-7-10-18 | U-10-MQ-0171b | 04/29/2010 | No monitoring required |
| DS 14G7-10-18 | U-11-MQ-1141b,s | 01/13/2012 | No monitoring required |
| RBDS 14G8-10-8 & FUTURE TIE-IN POINT "B" | U-10-MQ-0171b & U-10-MQ-0226b,s | 04/29/2010 06/09/2010 | No monitoring required |
| | | | |

The inventory of QEP Energy Company pipelines and compressor site resulted in the documentation of no cultural resources. Based on the findings, a determination of "no adverse impact" is recommended for the undertaking pursuant to Section 106, CFR 800.

Paleontological Specifications

| Well name | Paleo Project Number | Paleo Project Date | Paleontological Recommendations |
|--|----------------------|--------------------------|---------------------------------|
| FUTURE TIE-IN POINT "A" | 11-167 | 11/16/2011 | Paleo monitor required |
| COMPRESSOR PAD & RBDS 1G-7-10-18 | 11-195 13-60 PRE | 02/01/2012 06/19/2013 | Paleo monitor required |
| DS 15G5-10-18 | 11-214 | 02/01/2012 | Paleo monitor required |
| DS 14G7-10-18 | 11-168 | 11/01/2011 | Paleo monitor required |
| RBDS 14G8-10-18 & FUTURE TIE-IN POINT "B" | 11-198 | 11/22/2011 | Paleo monitor required |
| | | | |

For those projects noted above that will require Paleo monitor, it is recommended that a permitted paleontologist be present to monitor the any ground disturbance for the proposed pipelines and compressor site. QEP Energy Company will provide Paleo monitor for this project.



APPROXIMATE TOTAL PENDRAGON GATHERING PIPELINE DISTANCE = 26,307' +/-

APPROXIMATE TOTAL PIPELINE DISTANCE = 81' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)
- ===== PROPOSED ACCESS

QEP ENERGY COMPANY

PENDRAGON GATHERING COMPRESSOR SITE
SECTION 7, T10S, R18E, S.L.B.&M.
NW 1/4



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

N

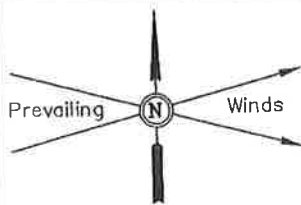


TOPOGRAPHIC
MAP

05 29 13
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.O. REVISED: 06-17-13



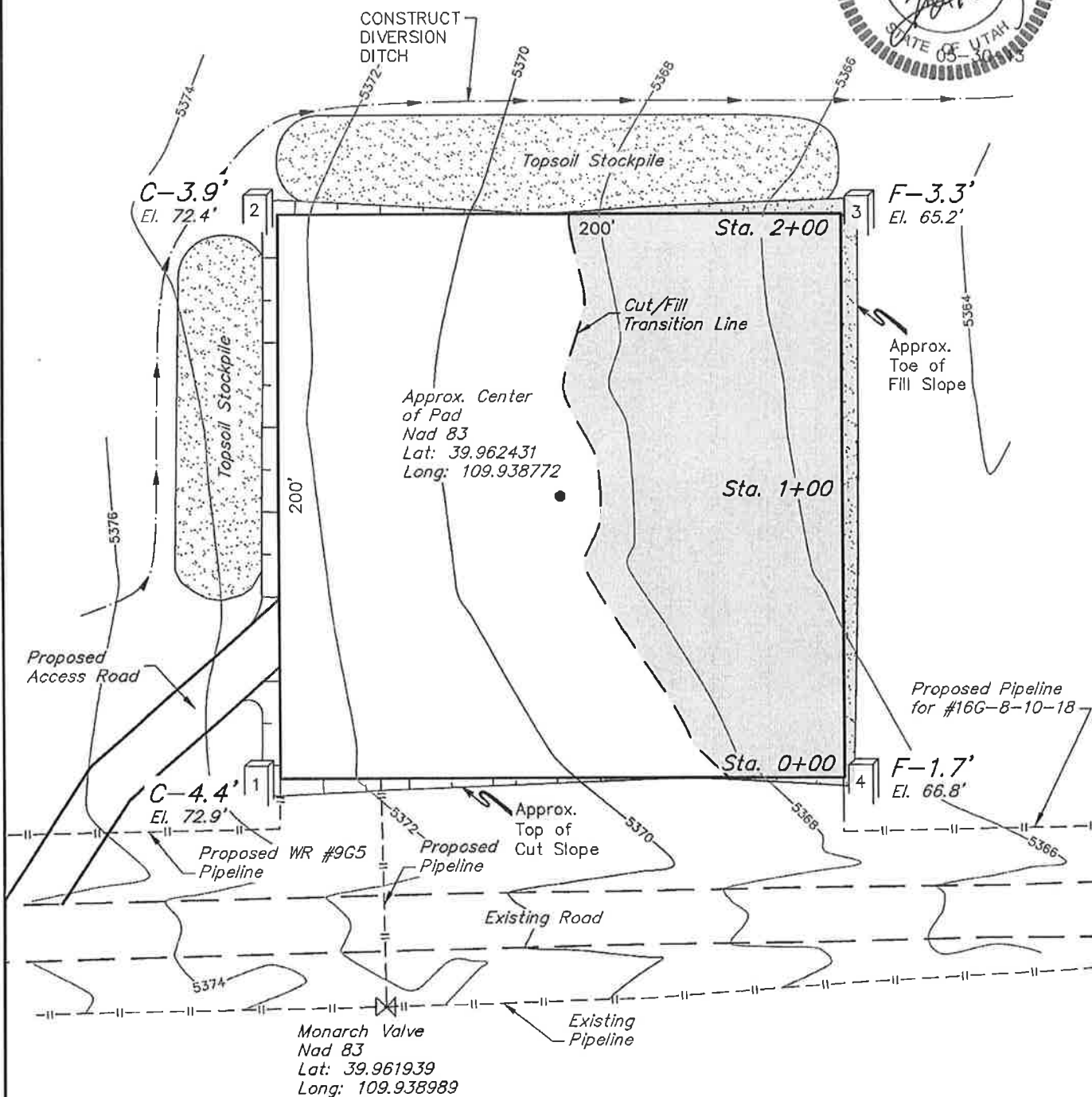
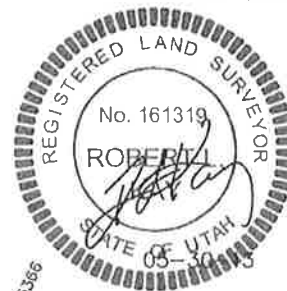


QEP ENERGY COMPANY

LOCATION LAYOUT FOR
PENDRAGON GATHERING COMPRESSOR SITE
SECTION 7, T10S, R18E, S.L.B.&M.
NW 1/4

FIGURE #1

SCALE: 1" = 50'
DATE: 05-23-13
DRAWN BY: K.O.



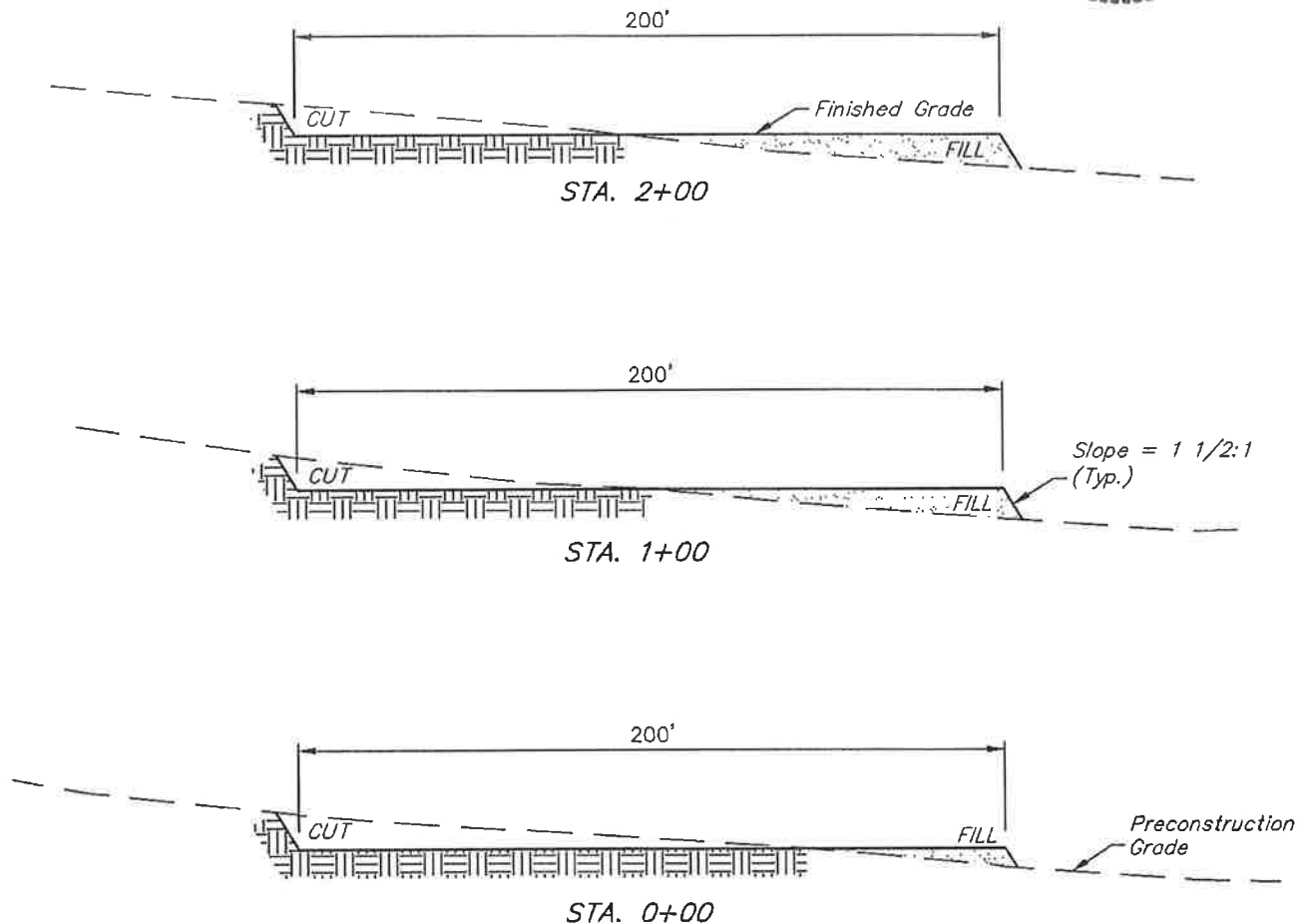
FINISHED GRADE ELEV. AT LOC. STAKE = 5368.5'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

QEP ENERGY COMPANY
TYPICAL CROSS SECTIONS FOR
PENDRAGON GATHERING COMPRESSOR SITE
SECTION 7, T10S, R18E, S.L.B.&M.
NW 1/4

FIGURE #2

1" = 20'
 X-Section
 Scale
 1" = 50'
 DATE: 05-23-13
 DRAWN BY: K.O.



NOTE:

Topsoil should not be
 Stripped Below Finished
 Grade on Substructure Area.

APPROXIMATE ACREAGE

WELL SITE DISTURBANCE = ± 1.249 ACRES
 ACCESS ROAD DISTURBANCE = ± 0.091 ACRES
 PIPELINE DISTURBANCE = ± 0.056 ACRES
 TOTAL = ± 1.396 ACRES

*** NOTE:**

FILL QUANTITY INCLUDES
 5% FOR COMPACTION

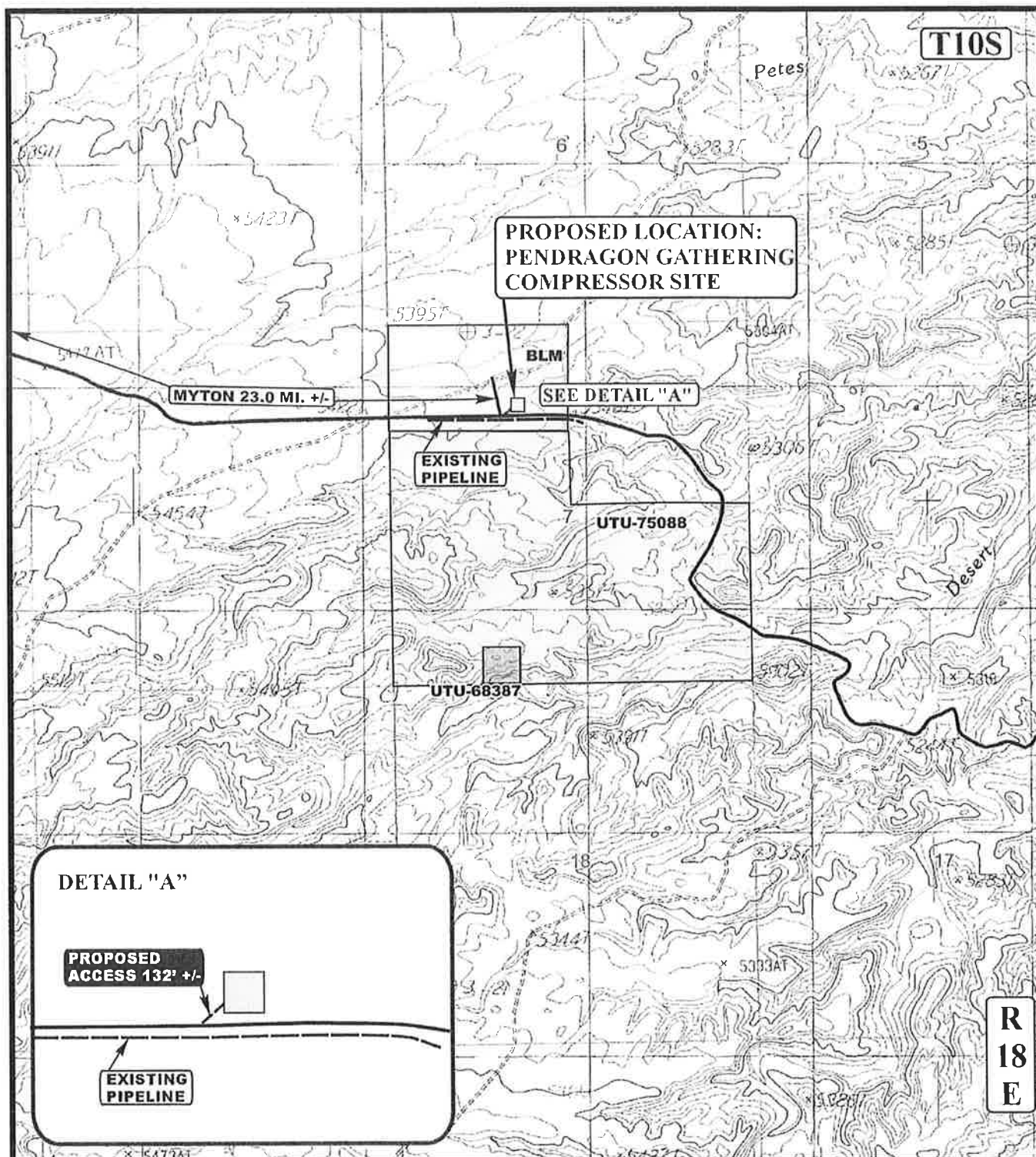
APPROXIMATE YARDAGES

(6") Topsoil Stripping = 810 Cu. Yds.
 Remaining Location = 1,390 Cu. Yds.
TOTAL CUT = 2,200 CU. YDS.
FILL = 1,390 CU. YDS.

EXCESS MATERIAL = 810 Cu. Yds.
 Topsoil = 810 Cu. Yds.

EXCESS UNBALANCE = 0 Cu. Yds.
 (After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



ATTACHMENT 1 – STIPULATIONS / CONDITIONS OF APPROVAL

Company/Operator: QEP Energy Company

Well Name & Number: Pendragon Gathering System

Surface Ownership: BLM

Lease Number: UTU-81003

Onsite Date: 7/16/2013

Location: Sections 5, 6, 7, 8 and 17 of Township 10 South, Range 18 East

Date Sundry Received: 7/16/2013

CONDITIONS OF APPROVAL:

- Interim reclamation, final reclamation, and monitoring of reclaimed areas will be completed in accordance with the Questar Exploration and Production Company, Uinta Basin Division's Reclamation Plan, September 2009 on file with the Vernal Field Office of the BLM.
- A paleontological survey was conducted on all areas where surface disturbance will occur. The table below indicates where and when a paleontologist would be required to monitor surface disturbing activity.

| Well Name | Paleo Project Number | Paleo Project Date | Paleontological Recommendations |
|---|-----------------------------|---------------------------|--|
| FUTURE TIE-IN POINT "A" | 11-167 | 11/16/2011 | Paleo monitor required |
| COMPRESSOR PAD & RBDS 1G-7-10-18 | 11-195 | 02/01/2012 | Paleo monitor required |
| | 13-60 PRE | 06/19/2013 | |
| DS 15G5-10-18 | 11-214 | 02/01/2012 | Paleo monitor required |
| DS 14G7-10-18 | 11-168 | 11/01/2011 | Paleo monitor required |
| RBDS 14G8-10-18 & FUTURE TIE-IN POINT "B" | 11-198 | 11/22/2011 | Paleo monitor required |

- All internal combustion equipment will be kept in good working order.
- Dust suppressant, such as water or other approved suppressants, will be used at construction sites and along roads, as determined appropriate by the Authorized Officer.
- Open burning of garbage or refuse will not occur.
- All vehicles and equipment will be cleaned either through power-washing, or other approved method, if the vehicles or equipment were brought in from areas outside the Uinta Basin, to prevent weed seed introduction.

CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of December, 2013, I caused a true and correct copy of the foregoing Affidavit to be sent electronically to the following:

Steve Alder
Assistant Attorney General
Attorney for the Division of Oil, Gas and Mining
1594 West North Temple, Suite 300
P.O. Box 145801
Salt Lake City, Utah 84114-5801
E-mail: stevealder@utah.gov

Dustin Doucet
Petroleum Engineer
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 300
P.O. Box 145801
Salt Lake City, Utah 84114-5801
E-mail: dustindoucet@utah.gov

Michael S. Johnson, Esq.
Assistant Attorney General
Attorney for the Board of Oil, Gas and Mining
1594 West North Temple, Suite 300
P.O. Box 145801
Salt Lake City, Utah 84114-5801
E-mail: mikejohnson@utah.gov



William E. Ward